

THE COMMONWEALTH OF MASSACHUSETTS

State Board of Retirement

ONE ASHBURTON PLACE, BOSTON, MA 02108-1607

N E W S L E T T E R



Timothy P. Cahill

Welcome to the 4th edition of the Active Employee Newsletter

As residents of Massachusetts, we are fortunate to have access to pristine beaches, and mountains, as well as other wonderful natural resources that provide leisure and recreational opportunities throughout these warm summer months.

We are also privileged, as residents and employees of the Commonwealth, to have year-round access to some of

the best government services in the nation that greatly assist in improving the quality of life, including those offered by the State Board of Retirement.

This newsletter contains information on the services offered by the retirement system, as well as an update from the Pension Reserves Investment Management (PRIM) Board, and other news and information which you should find helpful.

As a result of my commitment to provide the highest quality service to our members, it is with great pleasure that I announce the opening of the Board's new regional office in Springfield. It is the Board's first regional office to open in the Commonwealth and will offer convenient, accessible services to members residing in Western, Massachusetts. Detailed information on the new office can be found on page two of this newsletter.

Should you have any comments, suggestions or contributions for future newsletters, please do not hesitate to contact the State Board of Retirement.

I hope you enjoy this summer edition of our newsletter. On behalf of the Board of Retirement I thank you for your service to the Commonwealth.

Timothy P. Cahill
Treasurer and Receiver General
The Commonwealth of Massachusetts

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STATE BOARD OF RETIREMENT

MEMBERS OF THE BOARD

Chairman

Treasurer Timothy P. Cahill

Elected Members

Ralph White

Theresa McGoldrick, Esq.

Appointed Member

Peter Koutoujian, Sr.

Chosen Member

Chris S. Condon

Executive Director

Nicola Favorito, Esq.

MAIN OFFICE

Address:

One Ashburton Place, Room 1219
Boston, MA 02108-1607

Office Hours:

7:45 a.m.–5:00 p.m. M–F

Phone: (617) 367-7770

Fax: (617) 723-1438

REGIONAL OFFICE

Address:

436 Dwight Street, Room 109A
Springfield, MA 01103

Office Hours:

8:45 a.m.–5:00 p.m. M–F

Phone: (413) 730-6135

Fax: (413) 730-6139

PHONE TOLL-FREE

1-800-392-6014 (Mass. only)

Automated Phone Options

Retirement Counselor 1
Disability 2
Survivor Benefits 5
Buyback 6
Withdrawal/Refund 7
Direct Deposit 8

EMAIL

SRB@tre.state.ma.us

WEB SITE

www.mass.gov/treasury

Opening of Springfield Regional Office

The State Retirement Board and Chairman Treasurer Timothy Cahill are pleased to announce the opening of the Board's Springfield Regional Office. You may visit us at 436 Dwight Street, Room 109A for your retirement needs. Retirement counselors and representatives of the Massachusetts Deferred Compensation "SMART Plan" will be available between the hours of 8:45 a.m. to 5:00 p.m. Monday through Friday. The Springfield Office number is 413-730-6135.

As always Board staff is also available in our Boston Office at One Ashburton Place, Room 1219 between the hours of 7:45 a.m. to 5:00 p.m. The Boston Office number is 617-367-7770 or 800-392-6014.

We look forward to servicing your retirement needs. ■



Alert

FBI Website has information on e-mail scams

New, more sophisticated scams using the Internet keep popping up as con artists become more ingenious and more devious in the means they use to steal your money.

The FBI website (www.fbi.gov) includes a "Be Crime Smart" section with a tab for "New EScams and Warnings."

The FBI has become aware of a spam email attempting to extort money from the recipient. The email purports to be from Shawn Dudziak, using the email address of **shawn-dud@hotmail.com**. The email provides accurate information about the recipient, including his or her complete name, address, telephone number, Social Security number, and date of birth—all the information a credit report/credit application would include. The email threatens to destroy the recipient's credit

unless he or she sends \$500 through egold or Western Union. The email says that once the money is received the recipient's information will be deleted from the sender's database and the recipient will never hear from the sender again.

This email is an attempt to extort money.
Do not follow its instructions.



If you receive a spam email that contains your personal information, the FBI advises the following steps:

- Alert your credit card companies.
- Alert your banking institutions.
- Contact the three major credit bureaus and request that they place a fraud alert on your file.
- Request a copy of your credit report and notify credit bureaus of any suspicious entries.
- Carefully guard your personal information and your account information.
- Keep a list of your credit cards and account information, along with the card issuers' contact information. If your monthly statement looks suspicious or you lose a credit card, contact the issuer immediately.

PRIM Board Update: June 2006

The Pension Reserves Investment Trust (PRIT) Fund is a pooled investment fund established to invest the assets of the Massachusetts State Teachers' and Employees' Retirement Systems, and the assets of county, authority, district, and municipal retirement systems that choose to invest in the Fund. The PRIT Fund was created by the Legislature in December 1983. The nine-member PRIM Board is responsible for the management of the PRIT Fund. The Treasurer and Receiver General of the Commonwealth is a member ex officio and serves as the chair. The State Employees' Retirement System also has two representatives on the Board: the members of that Retirement System elect one and one is an Elected Member of the State Employees' Retirement Board.

Market Recap – June 2006

DOMESTIC EQUITY MARKETS:

Index	Month	4th QTR
S&P 500 (ex-tob.)	0.09%	-1.44%
DOW	0.20%	1.27%
NASDAQ	-0.31%	-7.17%
Wilshire 5000	0.18%	-1.96%
Russell 2500	0.05%	-4.34%

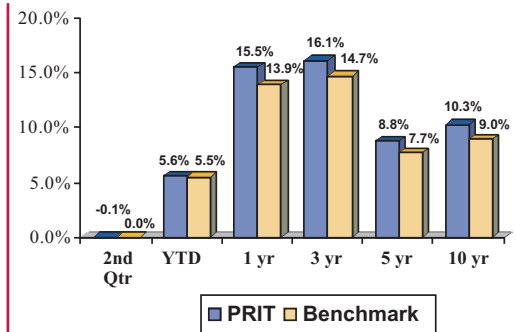
INTERNATIONAL & EMERGING MARKETS EQUITIES:

Index	Month	4th QTR
MSCI EAFE	-0.01%	0.70%
MSCI EMF (net)	-0.21%	-4.27%

FIXED INCOME & HIGH YIELD MARKETS:

Index	Month	4th QTR
LB Aggregate	0.21%	-0.08%
ML HY Master II	-0.38%	0.20%
TIPS	0.28%	0.49%

PRIT Core Fund as of 06/30/06



The PRIT Core Fund ended June 2006 with \$41.9 billion, up \$1.9 billion from the beginning of the year, net of redemptions. **For Fiscal year, the PRIT Core Fund returned 15.49%; exceeding the policy benchmark return of 13.89% by 160 basis points.** The PRIT Core Fund returned 0.75% for June and -0.10% for the 2nd quarter.

For more information about PRIM Board, please visit their website at www.mapension.com ■

SMARTs

FROM FINANCIAL HORIZONS

6754-610502

Retired today? Retiring tomorrow?

ING's Financial Horizons Advisory Program is planning exclusive seminars for Massachusetts public employees. These seminars are sponsored by the Massachusetts Deferred Compensation SMART Plan and will be conveniently scheduled in the evening at easily accessible locations!

You'll learn:

- How much income you will really need to enjoy retirement.
- How to keep inflation from shrinking your retirement nest egg.
- Which pension option might be right for you.
- How and when to withdraw from your SMART Plan and other retirement accounts.
- How to get objective help in planning for your retirement.



Watch for dates and times in the coming weeks. We hope we'll see you there!

Log onto www.mass-smart.com for more information.

Securities and advisory services offered through ING Financial Advisers, LLC (member SIPC). Financial Horizons is a division of ING Financial Advisers, LLC.

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Frequently Asked Questions: Refunds

What is the procedure for receiving a refund or a rollover of my retirement funds on account with the State Board of Retirement?

You may request a refund or rollover following your separation from public service. You can receive a withdrawal form from your payroll dept. or you can call the State Retirement Board (Refund Dept.) and request to have a form mailed to you, or you can access the web at:
www.state.ma.us/treasury/srb.htm.

If you are transferring your employment to another public employer in MA covered by a retirement system, your account will be transferred to the new retirement system.

When is my refund or rollover check going out?

If we have received your refund request and the form is completed the refund department will give you the date the check will be mailed.

How long does it take to receive a check?

It can take up to 8 weeks to process a refund.

Can I borrow from my retirement account?

No!! Under state law, your retirement account has no provisions for withdrawal under any circumstance, including mortgage down payment, college education, or any HARDSHIP.

A Baby Boy!



Making His Entrance....

A special congratulations goes out to David and Kelly Lynch. Sean Patrick Lynch, 8lbs, 11oz, and measuring 20 3/4" decided he was ready to enter this world July 12 around 2:00 p.m.

Congratulations! ■

Reminder

The State Board of Retirement has updated its member forms. You may download the following forms from our website: www.mass.gov/treasury/srb.htm, under downloadable applications and forms.

- | | |
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| ■ New Member Enrollment Form | ■ Purchase of Creditable Service (Buyback) Form |
| ■ Application for Voluntary Superannuation Retirement with Instructions | ■ Transfer Notice
<i>(To be completed by applicable State agency when member seeks to transfer creditable service from State Retirement System to another system)</i> |
| ■ Option Selection Form Option A | ■ Veteran's Creditable Service Form |
| ■ Option Selection Form Option B | ■ Authorization for Direct Deposit of Retirement Payment form |
| ■ Option Selection Form Option C | ■ Accidental Death |
| ■ Option Selection Form Option D | ■ Application for Annuity |
| ■ Retiree Change of Address Form | |
| ■ Beneficiary Selection / Change of Beneficiary Form | |
| ■ Request for return of Accumulated Deductions | |

Please discontinue using any of the old forms.

Important Dates to Remember

September 2006

Monday, September 4 | Labor Day

October 2006

Monday, October 9 | Columbus Day

Reminder:

Please Notify your Human Resources Coordinator of any Change of Address